

STATES OF JERSEY



PUBLIC FINANCES (JERSEY) LAW 2005: FINANCIAL PLANNING DISCLOSURES FOR THE 6 MONTH PERIOD ENDED 30TH JUNE 2008

**Presented to the States on 26th November 2008
by the Minister for Treasury and Resources**

STATES GREFFE

REPORT

1. The administration of the public finances of Jersey

In accordance with the Public Finances (Jersey) Law 2005 (“the Law”) (including Regulations approved under that Law and Financial Directions), certain matters relating to budgeting and to the financial control and administration of States trading operations are required to be reported to the States twice yearly by the Minister for Treasury and Resources (“the Minister”).

2. Reporting on Ministerial and delegated approvals

The areas of administration which are to be reported on are as follows –

- The use of trading funds by States trading operations;
- Borrowing;
- Lending;
- Budget transfers; and
- Carry forward of revenue balances.

There is nothing to report on lending for the 6 month period ended 30th June 2008.

2.1 Use of trading funds

The following Ministerial Decisions on the use of trading funds were taken to 30th June –

- a capital budget transfer of £320,000 from Passenger Coaches to the Air Traffic Control Centre, as a provision for inflation (Jersey Airport Trading Fund);
- a capital budget transfer of £52,000 from Aeronautical Transmitters to Airport Minor Capital Assets for the expansion of Hub2 (Jersey Airport Trading Fund);
- additional expenditure of £5,104,000 in respect of the refurbishment of the runway (Jersey Airport Trading Fund); and
- additional expenditure of £2,650 for a 25 tonne boat hoist (Jersey Harbour Trading fund).

2.2 Borrowing

During the 6 month period to 30th June no guarantees under the Small Firms Loan Guarantee Scheme (SFLGS) were approved by the Treasurer of the States. Under the terms of the scheme, the Economic Development Department underwrites up to 75% of the value of a loan. The total amount guaranteed under the SFLGS as at 31st December 2007 was £268,222.

The Jersey Student Loan Scheme commenced in September 2007. As at 30th June 2008, 136 students had taken out a loan with a total draw down value of £186,310. Terms with the intermediaries require the States of Jersey to underwrite 100% of the value of the loan.

2.3 Budget transfers

Budget transfers are reported on the following basis –

- transfers between revenue heads of expenditure;
- transfers between capital heads of expenditure; and
- transfers between revenue and capital heads of expenditure.

Budget transfers between departments vary the budgets of individual departments but are net nil in total.

2.3.1 Transfers between revenue heads of expenditure

Revenue transfers during the period ended 30th June 2008 amounted to £658,589 (Table 1 refers).

Table 1: Transfers between revenue

Department		£	
To	From		
CMD	T&TS	10,250	Statistics surveys
CMD	P&E	5,638	Statistics surveys
EDD	CMD	2,112	Transfer of staff recruitment advertising budget
ES&C	CMD	52,804	Transfer of staff recruitment advertising budget
H&SS	CMD	190,093	Transfer of staff recruitment advertising budget
H Affairs	CMD	31,670	Transfer of staff recruitment advertising budget
Housing	CMD	3,168	Transfer of staff recruitment advertising budget
E&SS	CMD	3,168	Transfer of staff recruitment advertising budget
T&TS	CMD	2,112	Transfer of staff recruitment advertising budget
T&R	CMD	866	Transfer of staff recruitment advertising budget
T&R	CMD	65,277	HR Staff transfer
T&R (PHD)	EDD	5,483	Foreshore Lease
H&SS	T&R	55,678	Finance support staff transfer
ES&C	T&R	15,000	Finance support staff transfer (0.50 FTE)
H Affairs	T&R (I Tax)	181,290	GST staff transfer (3 posts)
T&TS	T&R	23,580	Absence reporting staff transfer
T&R (PHD)	T&TS	10,400	Architects' software
Total transfers		658,589	

2.3.2 Transfers between capital heads of expenditure

Transfers between existing capital heads of expenditure amounted to £1,640,275 for the period (Table 2 refers). There were no transfers to new capital heads of expenditure during the period.

Table 2: Transfers between capital votes

Department		£	
To	From		
T&R (Tax)	T&R (Cap Res)	657,275	GST set-up/implementation
T&R (PHD)	H&SS	983,000	Repayment by H&SS to Planning Vote
Total transfers		1,640,275	

2.3.3 Transfers between revenue and capital heads of expenditure

Transfers between revenue and capital amounted to £170,745 (Table 3 refers). There were no transfers to new

capital heads of expenditure during the period.

Table 3: Transfers between revenue and capital

Department		£	
To	From		
T&R (rev)	CMD (cap)	170,745	GAAP funding
Total transfers		170,745	

2.4 Carry forwards

Total carry forwards of £2,557,561 were approved by the Council of Ministers during the 2007 annual Accounting process, £2,290,561 of which had been allocated by departments as at 30th June 2008 (Table 4 refers).

Table 4: Carry forwards

Department	Approved amount	Allocated amount	Outstanding amount
	£	£	£
Chief Minister	8,592	8,592	
EDD	20,000	20,000	
ES&C	626,880	626,880	
H&SS	6,143	6,143	
Home Affairs	850,000	850,000	
Housing	–	–	
P&E	43,373	43,373	
E&SS	267,000	–	267,000
T&TS	242,969	242,969	
T&R	–	–	
NMSFB	462,604	462,604	
States Assembly	30,000	30,000	
Total	<u>£2,557,561</u>	<u>£2,290,561</u>	<u>£267,000</u>